
OLR Bill Analysis

HB 5780

AN ACT CONCERNING INTERLOCAL AGREEMENTS.

SUMMARY:

This bill establishes a single process through which towns can collaborate on municipal functions. Under current law, towns and municipal bodies can enter into (1) a joint agreement to perform jointly any function the law allows them to perform individually or (2) an interlocal agreement to collaborate on specified municipal functions and services. The bill allows them to collaborate on any function the law allows them to perform individually using the statutory process for interlocal agreements. It also explicitly allows consolidated towns and cities and consolidated towns and boroughs to enter into these agreements.

Current law requires interlocal agreements to address certain procedural issues. The bill eliminates these required components, thus giving towns more discretion in negotiating their provisions. It also streamlines the process for approving these agreements and makes a conforming change.

EFFECTIVE DATE: October 1, 2011, except the repeal of required provisions in interlocal agreements is effective upon passage.

INTERLOCAL AGREEMENTS

Services and Functions

Under current law, towns and other municipal bodies can enter into interlocal agreements with each other or their counterparts in other states to perform a specific, but wide ranging, list of municipal functions and services. The bill allows them to enter into these agreements to perform jointly any function any statute, special act, charter, or home-rule ordinance allows them to perform individually.

Required Provisions

Current law requires interlocal agreements to address various procedural issues, including:

1. maximum duration, which cannot exceed 40 years;
2. payment for services, personnel, facilities, and equipment;
3. employee indemnification;
4. the role of any interlocal advisory board the agreement establishes; and
5. dispute resolution.

The bill repeals these requirements and instead requires that the agreements be negotiated by the participants and (1) include all mutually agreed upon provisions and (2) establish a process for amending, terminating, or withdrawing from the agreements.

Approval Process

Current law specifies how the participants must enter into an interlocal agreement and the timeframe for doing so. It requires participants to submit the proposed agreement to their local legislative bodies, which must, within specified timeframes, each hold at least one public hearing on the proposal, consider changes, and approve or reject the final proposal.

The bill instead requires participants to submit the proposed agreement to their legislative bodies which must, after providing an opportunity for public comment, vote to ratify or reject it. The bill specifies that the legislative bodies are not required to hold a public hearing to provide an opportunity for public comment. It does not specify what the comment period must be.

Under current law, unless an agreement requires ratification by a specific number of participants, it takes effect for the ratifying participants when the agreement provides. Rejection by any participating agency does not void an agreement as to other ratifying

agencies, unless the agreement so provides. The bill eliminates these provisions.

The bill also eliminates the specific requirement that voters approve the agreement at a referendum before it is considered ratified if, pursuant to state or local law, any subject contained in such agreement must be submitted to a referendum before being undertaken individually or jointly.

JOINT AGREEMENTS FOR MUNICIPAL SERVICES

The bill eliminates the joint agreement process. Current law requires a town entering into such an agreement to approve it in the same manner it approves ordinances or, if the participant does not approve ordinances, in the manner it approves budgets. The terms of each agreement must include (1) a process for withdrawal and (2) a requirement that the approving body review the agreement at least once every five years to assess whether it improves the functions it addresses.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 20 Nay 0 (03/07/2011)